

## **ES-16 Generation or Emissions Performance Standards**

**Assessment: High Priority. Bin B. 7 out of 22 votes.**

A generation performance standard is a mandate that requires load serving entities (LSEs) to manage their electricity generation portfolio in such a way as to achieve an average annual pounds per megawatt-hour emissions rate limit. A CO<sub>2</sub> emissions performance standard is a resource procurement mandate that requires LSEs, when entering into new long-term financial commitments for electricity supply, to only acquire electricity from power plants that can demonstrate a maximum CO<sub>2</sub> pounds per megawatt-hour emission rate (for example, 1100 pounds of CO<sub>2</sub> per megawatt-hour). The maximum CO<sub>2</sub> emissions rate may also be based upon an average CO<sub>2</sub> emissions rate over a source's useful life. In both approaches, GHG offsets may be used to achieve compliance.